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## **EIOPA's Report on the Evaluation of the European Insurance Intermediaries Markets**

Dear Vice President Dombrovskis, *DEAR VICE PRESIDENT,*

Pursuant to Article 41(5) of the Insurance Distribution Directive (IDD), we herewith forward to you the report on the *Evaluation of the Structure of Insurance Intermediaries Markets in Europe*. This report provides an overview of the intermediaries markets in Europe up to 31 December 2017, relating to data for the period from 2013 to 2017.

The evaluation confirms that the European insurance intermediaries market is characterised by a very wide diversity of local distribution channels and different definitions adopted at the national level. Registration practices and reporting frameworks also vary amongst Member States, contributing to the diversity in terms of size of the European intermediaries markets.

The following key developments have been identified:

- Albeit small, a decrease in the number of registered intermediaries can be noticed, despite the number of total registered intermediaries having increased in some markets. The causes behind this trend are varied and Member State-specific, ranging from more stringent regulatory requirements and the growth of alternative innovative distribution channels to other factors such as the liquidation of some insurance undertakings.
- In most markets, the decrease of registered intermediaries has mainly affected natural persons and those operating as agents. Despite brokers and intermediaries registered as legal persons representing a small portion of the European intermediaries market, their number has been increasing at the European level and in most Member States.
- A significant number of intermediaries – representing 56% of the total number – are operating under Member State-specific categories. This diversity and lack of homogeneity makes it difficult to draw conclusions on the prevalent model(s) at the European level.

- Between 2013 and 2017 the number of intermediaries' notifications to carry out cross-border business has increased. In many Member States they mostly concern passporting into neighbouring markets.
- Despite the available limited information on the role different distribution channels play in placing insurance products on the market, it can be seen that:
  - In many Member States bancassurance plays an important role in the sale of life-insurance products
  - Albeit small, there is an increasing role of direct writers reflecting the newly enlarged scope of the IDD
  - Online insurance marketplaces play increasingly a role in selling insurance products

Due to the diversity of local distribution channels and national reporting frameworks, during the preparation of the report, a number of data collection and comparability challenges were encountered.

In accordance with Article 41(4) of the IDD, EIOPA will prepare a report on the application of the IDD by February 2020. In this context EIOPA will identify possible ways to improve the quality and comparability of data on insurance intermediaries across the European markets.

The attached evaluation report includes a separate Annex (also attached) with the country-by-country analysis, both published via EIOPA's Website.

We remain at your disposal for any further information required.

Yours sincerely,



CC:

Andrea Beltramello, Member of Cabinet  
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